

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE ARBITRATION OF: QWEST CORPORATION, Petitioning Party, vs. AT&T COMMUNICATIONS OF THE MIDWEST, INC., AND TCG OMAHA, Responding Parties.	DOCKET NO. ARB-04-1
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**ORDER CANCELLING HEARING, REQUESTING RESPONSES,
AND MODIFYING PROCEDURAL SCHEDULE**

(Issued April 14, 2004)

On February 9, 2004, Qwest Corporation (Qwest) filed with the Utilities Board (Board) a petition for arbitration of an interconnection agreement, pursuant to Section 252(b) of the Telecommunications Act of 1996, 47 U.S.C. § 151 *et seq.* (the Act), and 199 IAC 38.7(3). Qwest requested arbitration of the terms, conditions, and prices for interconnection and related arrangements with AT&T Communications of the Midwest, Inc., and TCG Omaha (collectively, AT&T). In addition to its request for arbitration, Qwest requested a hearing on the issues. The petition was identified as Docket No. ARB-04-1.

On April 8, 2004, Qwest and AT&T filed a joint request to cancel the hearing previously scheduled for April 16, 2004. In the motion, the parties stated that

voluntary negotiations have continued, resulting in resolution of many of the issues to the point where the parties suggest that a hearing pursuant to 199 IAC 38.7(3)"h" is no longer necessary or in the public interest.

The Board will grant the motion to cancel the hearing. However, after reviewing the testimony filed in this proceeding, the Board requests that the parties respond to the questions attached to this order as Attachment 1. So that parties may have an opportunity to review the filed responses prior to filing the briefs, the Board will also reschedule the deadline for filing briefs.

IT IS THEREFORE ORDERED:

1. The joint motion of Qwest and AT&T filed April 8, 2004, to cancel the hearing in this proceeding is granted.
2. Written responses to the questions attached hereto as Attachment 1 are due on or before April 21, 2004.
3. Simultaneous briefs are due on or before April 26, 2004.

UTILITIES BOARD

/s/ Diane Munns

/s/ Mark O. Lambert

ATTEST:

/s/ Judi K. Cooper
Executive Secretary

/s/ Elliott Smith

Dated at Des Moines, Iowa, this 14th day of April, 2004.

**ATTACHMENT 1
BOARD QUESTIONS IN LIEU OF HEARING
ARB-04-1**

For AT&T witness Schell

1. Please explain how the new language proposed by AT&T for "Exchange Service" in the Iowa arbitration corrects deficiencies pointed out in other state arbitrations that have been already concluded.
2. In which states does AT&T currently offer "FX-like" services?
3. In which states does TCG currently offer "FX-like" services?
4. Since the filing of testimony in this case, has AT&T initiated "FX-like" services in Iowa? If so, has Qwest imposed access charges on AT&T's "FX-like" service in Iowa? In other states?
5. Has Qwest imposed access charges on TCG's "FX-like" service in Iowa? In other states?
6. Is AT&T planning to offer "FX-like" services in Iowa? If so, when?
7. At page 34 of Mr. Freeberg's direct testimony, Qwest states that the billing systems of both parties could not handle the many billing situations involved with using a relative use factor. Do you agree with this statement? What information is necessary for the parties to determine an appropriate relative use factor?
8. On page 73 of your direct testimony, you state there are a number of reasons that the initial relative use factor may be used for more than one quarter. What are these reasons?
9. Regarding your proposed "comparable facilities" language in Section 7, have any state commissions other than Minnesota approved this language? If so, which ones? Please provide copies of any orders approving the proposed (or similar) language.

For AT&T Witness Hyatt

10. Does AT&T have an obligation to offer collocation to Qwest?
11. Have any other state commissions approved your proposed language for section 22.1? If so, please explain.

For Qwest witness Freeberg

12. Does Qwest agree with the definition of "FX and FX-like Service" proposed by AT&T in the second paragraph of the definition of "Exchange Service"? Why or why not?
13. What has been the effect of the orders on compensation to Qwest in states that adopted Qwest's definition for exchange service? Has AT&T/TCG been compensating Qwest for its FX-like traffic in those states where the service is offered?
14. At page 43 of Mr. Schell's responsive testimony, AT&T states it wants to clarify Qwest's proposed language on Issue 14 on two points. The first point is to make clear that the DS-1 threshold of 512 CCS is a busy hour requirement. Did you address this point in your prefiled testimony? Do you agree with AT&T that a specified time frame is necessary or appropriate?
15. AT&T states that the Act and relevant FCC orders provide for new entrants to interconnect at any technically feasible point per the *Local Competition Order* and the Act allows the CLEC to select a single POI in Section 251(c)(2). Please explain how your proposed language at page 63 of your direct testimony allows for this.
16. The parties state that several states have approved all or part of the proposed language. The list of states approving language for each issue appears to vary on an issue-by-issue basis. Could you tell the Board which states in Qwest territory have recently addressed Issue 14 and what was the outcome in each?
17. AT&T states on pages 48 through 49 of Mr. Schell's response testimony that if it had purchased a private line facility from a third party and decided this was the most efficient route to carry Qwest traffic on, that Qwest would reimburse AT&T for the cost. Do you agree with AT&T's analysis? If so, could you explain why the use of a leased private line facility from Qwest serving the same purpose cannot be treated the same?

18. You state on page 33 of your direct testimony that Qwest's billing system may never accurately implement the many possible-billing scenarios. Please provide further detail on this point.
19. Throughout your testimony on this and other issues, you state that the Board has already dealt with that particular issue in the context of approval of the Statement of Generally Available Terms (SGAT). In your opinion, is an arbitration proceeding an appropriate opportunity to address modification of an SGAT? Why or why not?
20. At pages 75 and 76 of your direct testimony, you state that AT&T's proposal of sharing costs is a form of ratcheting deemed to be disallowed by the FCC's *Triennial Review Order*. Please provide your definition of ratcheting and an explanation how AT&T's proposal meets this definition.